

Central Intelligence Agency

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The Honorable Bill Bradley
Select Committee on Intelligence
United States Senate
Washington, D.C. 20510

Dear Senator Bradley:

Enclosed are our responses to your inquiries about an article that was published in the National Intelligence Daily on 29 March 1986 entitled, "USSR: General Discusses Defense Costs." The article was based on Major General Gurov's lecture in Moscow on 11 February 1986 that we have asked the Defense Intelligence Agency to provide to your office. Because this was a public lecture, we do not have a copy of the full text. Gurov's lecture was the sixth in a series sponsored by the Moscow branch of the Znaniye Society. While not authoritative, lectures in this series have reflected topics under discussion in Soviet policy circles.

defense costs are currently an important concern of the Gorbachev regime. I hope this additional information is helpful and if you have further questions please let me know.

Sincerely,

/s/ David D. Gries

David D. Gries
Director, Office of Congressional Affairs

Enclosures

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GUROV, A.
(ALEKSANDR)

MARXISM-LENINISM ON WAR AND THE ARMY

SOVIET MILITARY REVIEW

No. 9, 1984

WAR AND THE ECONOMY

MILITARY

Major-General Alexander GUROV,
D.Sc. (Economy), Professor
Aleksandr Gurov

THE concept of the economy's crucial role in the course of war and for its outcome constitutes a fundamental tenet of the Marxist-Leninist theory of war and the army. According to F. Engels, the entire organization of the armies and the method of warfare they use, along with the victories and defeats involved, are dependent on the material, i.e., economic environment.

The multitude of factors governing the relationship between war and the economy may be classified into four major groups: political, economic, military and technological. The effect of each particular factor may vary in different situations, but the total, integral effect is always the same.

The radical socio-political changes taking place in the present-day world, just as the revolution in science and technology, make the relationship between war and the economy still deeper and more comprehensive.

Today any industrialized country is economically capable of building up massive stocks of arms and equipment within a relatively short pe-

riod of time. The United States, for instance, possesses tremendous productive, technological and scientific potential that can be readily used for the production of munitions. And this Washington actually does, with military production and military consumption constituting the bulk of the present US economic activity. Incidentally, the massive military build-up in America is primarily oriented to the development of the offensive war potential.

The present-day tendency towards sophistication of military hardware is exerting an explosive effect on production costs. Modern aircraft and ships, missiles and rockets with their intricate ra-

dio and electronic equipment are many times as complex as their predecessors of the 50s, and they cost infinitely more. The reason is that the demands on the weapons' combat capabilities are growing

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faster than the productivity of labour in the war-related industries.

Another tendency is the growing volume and the changing structure of military consumption. Production of modern weapons requires more ferrous and non-ferrous metals, instruments, chemicals, etc. According to UN estimates, the war industries presently consume 15-16 per cent of the total output of copper, and 10 per cent of the tin, nickel, lead and zinc. A modern combat aircraft consumes many times more fuel per hour than a World War II aircraft, while an air regiment fuel filling today is nearly as large as that of a World War II field army.

Owing to the current technological revolution the weapons procured by the armed forces tend to become obsolete quickly. While in the early years of this century it took from 20 to 30 years to develop and introduce a new type of armament, nowadays this process takes place two or even three times as fast, and the basic weapons systems are replaced by more advanced models practically every decade. The Soviet Armed Forces, for instance, replaced during the past fifteen years the better part of their combat aircraft and warships, and several generations of missiles, air defence complexes as well as electronic control and communication systems.

It is worthwhile noting that there is nothing in the technological revolution to necessitate its particular use for military purposes. The atomic and hydrogen bombs were not specific products of this revolution. They were born of imperialism, which is desperately seeking ways to survive and proliferate its existence. The arms build-up is believed to be the most lucrative one in this respect, and this clearly manifests itself in the present US policy. In an effort to channel the technological progress towards war preparations and tether science to its war plans, Washington has mobilised over 250 American universities and colleges to work in the development of different military projects devised by the Pentagon.

The education and training costs of military personnel are also growing at higher rates. There

were only 20 military specialties during World War I, and they grew to nearly 160 in World War II. Today the armed forces have over 2,000 different specialists with an eye to the prospects of new specialties that may be required for operating and servicing new generations of weapons systems. The modern weaponry may only be trusted to the people well educated in many areas—in general sciences, military science, specific technical field, etc., while the frequent modification and replacement of weapons systems demand from specialists constant self-education and broadening of their scientific and general outlook. In the Soviet Armed Forces, for instance, the proportion of officers with a higher military and special education has considerably grown. This was attained owing to the special care the Communist Party devotes to the education and training standard of the Armed Forces commanders and staffs.

Modern warfare places special and stringent demands on the military industries and all their branches. The primary task is to render them strong enough to withstand powerful enemy blows. World War I engulfed a territory of 4 million square kilometres, while World War II covered 22 million, including the land, sea and air space of several continents in both hemispheres. The zone of military operations engulfed practically the entire economic system of the belligerent states. The material losses caused by the two wars amounted to 27.8 and 316.3 billion dollars respectively.

The advent of nuclear weapons is likely to bring about radical changes in this picture. The vulnerability of the economic structure will greatly increase. To cope with it further concentration and specialisation of the industries will be required. In this connection mobility and flexibility of the national economy acquire primary importance, while a capacity for prompt reorganisation and rehabilitation becomes a critical necessity for every industry and individual enterprise.

All these factors enhance the paramount importance of the economy in war and peace, additional demands on its organisation and security in order to ensure reliable and efficient logistical support of the armed forces.

The socialist economic system constitutes a sound base for effective material support of the Soviet Armed Forces. This task is generally handled along the following lines: proceeding from the economic capabilities of the state the optimal organisational structure of the armed forces is established which provides for the appropriate logistical support system; the units are equipped to the assigned TO&E and proper operation and maintenance procedures are organised; a progressive system of education and training of commanders and staffs is introduced and maintained.

Today the Soviet Armed Forces possess everything necessary to give a crushing rebuff to any aggressor. The material supplies available to the units are used to maximum effect. The superior education and training standard of the officers and men provides for the safe operation and economy of the material resources, and prolong their reliability and service life.

The military expenditures of the USSR are essentially determined by and limited to the requirements of defence. The Soviet Union has repeatedly proposed to reduce the level of military confrontation with the Western states. Yet the USA and its allies continue to pursue the dangerous line towards fomenting tensions and the arms build-up. Started by the imperialist circles, the arms race consumes immense material resources which could have been used to resolve urgent economic problems of many developing states. However, all the Soviet proposals to this effect are blocked by the obstructionist policy of the imperialist states.

The militarist US policy is resulting in the gradual involvement of the developing states in the process of the general military build-up. According to the official data available, the military budgets of these states grew 150 per cent during the decade between 1972 and 1981, while their share in the total world military expenditures rose from 10 to 19 per cent. The developing states presently buy 38 per cent of all the conventional weapons in the world arms market.

There are many reasons for this trend, some of them being of local nature: some regimes are accumulating arms in order to reaffirm their rule, others are obsessed by hegemonistic ambitions regarding their neighbours, and there is also tribal and national rivalry among the young states, which is eagerly encouraged by imperialists.

The prevalent factor provoking the massive procurement of arms among the developing states, however, is the imperialist policy. The expanding military industrial monopolies need new and wider markets for their deadly merchandise, the more so since costs for modern arms are constantly growing, while the arms deliveries help to make the importing states militarily and technically dependent on the exporter.

The dependence of war on the economy is natural and organic to any class society. However, it manifests itself differently in different social systems. In the developed capitalist states it militarises all aspects of life, which brings immense profits to the military industrial complex.

In a socialist society this dependence concerns only those aspects which are related to the defence efforts of the state. As an advanced socialist state, the USSR is an essentially peaceful country. It has never attacked nor threatened anybody with war. There are no social forces in the Soviet Union that would profit from war. Such is the nature of socialism. All its spheres—economy, policy, ideology, culture, etc.—are oriented towards the well-being of the people and the comprehensive development of the individual.

In the present situation, which is fraught with the imperialist war danger, from the USA in particular, the Soviet Union and other socialist states are taking the necessary steps to provide for their defence. Their economic, scientific and technological capacities ensure the appropriate defensive potential of the socialist community.



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Gorbachev's Modernization Program: Implications for Defense

An Intelligence Assessment

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March 1986

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